

Conditions Of Purchase

These conditions of purchase are valid for all German enterprises of the Körber Group

December 2002

1. Preamble

All agreements concluded with you are done so exclusively on the basis of the following terms and conditions. Your terms of sale and delivery shall as a whole not be included in the provisions of the agreement, even if we have not explicitly opposed them. The same shall apply, even if you specifically stress your intention to deliver exclusively according to your terms and conditions.

2. Orders / conclusion of an agreement

2.1 Our orders and agreements shall only be binding upon us, if submitted in writing or, on being placed orally or by telephone, confirmed in writing, quoting the order number.

2.2 Should we not receive prompt written confirmation of our order – within 14 days of receipt at the latest – we shall be entitled to cancel our order free of charge.

2.3 No rights may be derived against us from promises, information or advice, etc. given orally or by telephone – irrespective of whether they are given prior to or subsequent to the conclusion of the agreement – with the exception of gross negligence on our part. Such oral statements shall only be binding upon us if confirmed by us in writing or if it can be proven that we have waived the requirement of the written form.

2.4 Our order number must be quoted in all correspondence, on invoices and in the shipping documents.

3. Delivery / default

3.1 Agreed delivery and performance deadlines shall be binding. The delivery dates refer to the arrival of your consignment at our plant or at the delivery address (delivery) specified by us. In the event that you default on delivery / performance (generally referred to as consignment), we shall be entitled to demand compensation amounting to 0.2% of the total value of the agreed deliver for each calendar day that delivery is delayed, however, not more than 5% of the total value. This shall also apply in the event of our withdrawal from the agreement.

We reserve the right to assert such default compensation until payment has been received in full.

This shall not affect our statutory claims in the event of default.

3.2 Irrespective of our remaining rights, we shall also be entitled to have the outstanding deliveries performed at your expense by a third party following the fruitless expiry of a reasonable extension set by us.

Should this require documents that are in your possession, you shall be under obligation to release these to us immediately.

If and to the extent that the third party is prevented from effecting delivery as a result of industrial property rights, you shall be under obligation to obtain a corresponding exemption from these rights without delay.

In any event, you shall be liable for any asserted contract penalty, arising in the period leading up to our withdrawal from the agreement or up to that point in time at which we place the order with a third party.

3.3 All consignments must be accompanied by a delivery note, quoting our order number and order item.

3.4 Any consequence resulting from incorrect, incomplete or delayed shipping documents shall be for your account.

3.5 Advance or part deliveries shall only be permissible given our prior approval.

3.6 The deliveries, including proper packaging, are to be effected free works or free delivery address (according to Incoterms 2000 carriage paid / CPT Hamburg or destination).

We shall conclude and pay for transport insurance.

3.7 According to the packaging ordinance, you are legally obliged to take back the packaging of the delivery item. In any event, you shall be liable for the costs for the return transport as well as the recycling and disposal of any packaging that does not comply with the statutory requirements.



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Paper and Tissue Machinery



Machine Tools



pharma packaging systems

Pharma Packaging Systems

4. **Duty to notify**
- Delays in delivery must be reported to us immediately in writing; the notifications shall have no bearing whatsoever on any other claims we may have against you.
5. **Exemption from the duty to accept delivery**
- If and to the extent that we are prevented from taking delivery of the delivery item as a result of industrial disputes or force majeure, we shall for the duration of said hindrance be freed from the duty to accept delivery in a timely fashion.
6. **Terms of payment**
- 6.1 The payment is to be effected using a means of payment of our choice.
- 6.2 The term of payment shall commence on delivery, but not prior to the receipt of a proper invoice issued in duplicate and not before the agreed delivery date.
- If no term of payment has been agreed, payment shall be effected on the 25th day of the month following the receipt of the invoice less a 3% discount or net within 90 days.
- 6.3 We shall not be deemed to be in default without a written reminder being issued. If in default, you shall be entitled to charge default interest of 2% above the base interest rate.
- 6.4 You may only exercise reservation of ownership in the event of prior withdrawal from the agreement.
7. **Assignment**
- 7.1 Claims may only be assigned with our written consent. If as a processor, you have purchased materials under extended reservation of ownership, we hereby consent to this anticipatory assignment.
- 7.2 Your contractual obligations may only be discharged by third parties instructed by you, given our prior written consent.
8. **Warranty**
- 8.1 You guarantee that all deliveries comply with the terms of the agreement, the regulations of the trade association responsible for us, the law on technical work equipment (Equipment Safety Act), the EU work equipment utilization guideline, in each case in their latest version, all other EU, statutory or inspectorate regulations or guidelines concerning performance, accident prevention and environmental protection, e.g. regarding the labelling of hazardous substances and procedures, as well as the regulations issued by the Association of German Electrical Engineers in the respective form applicable on the date of delivery and the state of the art.
- 8.2 The warranty period shall be 24 months commencing upon commissioning or the final technical inspection of the consignment by us.
- In the event of consignments where no commissioning or final technical inspection is intended, the warranty period shall be 24 months commencing with delivery.
- 8.3 In the event of consignments destined for resale, the aforementioned warranty period shall commence upon commissioning or final technical inspection by our customer.
- In the event of consignments where no commissioning or final technical inspection is intended, the aforementioned warranty period shall commence upon delivery to our customer.
- The warranty period shall, however, lapse at the latest 36 months following delivery to the delivery address specified by us.
- 8.4 If the consignment is defective, we shall - during the warranty period - be entitled at our option to assert statutory warranty claims.
- 8.5 If the work required to remedy defects may be considered unreasonable, we shall be entitled at our option to assert statutory warranty claims or demand a free replacement delivery.
- 8.6 Should you fail to comply with our request to have a defect removed within a reasonable period set by us, we shall be authorized to carry out the necessary measures ourselves or to have them carried out by third parties at your expense. If and to the extent that setting a deadline is not essential, we shall be entitled to this right even without setting a deadline.
- We shall be permitted to carry out measures to remedy smaller defects or in order to avert unreasonably large losses or to prevent putting operational safety at risk either on our premises or on those of our customer ourselves or to have them carried out by third parties at your expense, without consulting you in advance. We will notify you of the reason, nature and scope of these measures immediately.
- This does not affect your obligation under warranty.
- 8.7 The expiry of the warranty period shall be suspended in the time between notice of defects being issued and their removal. The warranty period for replaced or repaired parts shall commence again upon restoration of the contractual, faultless usability of the consignment.
- 8.8 By accepting delivery and using the consignment or approving your drawings or any other documents, we do not waive our claims detailed herein.

8.9 All deliveries or services to be rendered by you on the basis of your warranty (including transport to and from the place of performance, travel expenses and labour costs) shall be free of charge for us.

8.10 In the absence of provisions to the contrary, the consignment is deemed to have been inspected immediately, if the inspection takes place within 10 days following delivery.

We are considered to have honoured our obligation to issue immediate notice of defects, if we report a defect 14 days after its discovery.

9. Product liability

9.1 If claims are asserted against us due to a breach of government safety regulations or due to domestic or foreign product liability law as a consequence of the faultiness of our product, which is attributable to your consignment, we shall be entitled to demand compensation for this loss from you, if and to the extent said loss was caused by the product delivered by you.

9.2 You will – as far as possible – label the delivery items free of charge in such a way as to render them permanently recognizable as your products. Exceptions to this will be agreed separately in individual agreements.

9.3 You shall carry out appropriate quality assurance measures corresponding to the state-of-the-art as and furnish evidence of this upon request.

You shall conclude a quality assurance agreement with us if and to the extent that we deem it necessary.

9.4 You shall take out appropriate insurance cover against all risks and upon request submit the insurance policy to us for examination.

10. Third-party industrial property rights

10.1 You shall guarantee that the consignment is free of any third-party industrial property rights and agree to indemnify all damages and costs incurred by us as a consequence of non-compliance with this guarantee undertaking or an injunction issued by third parties preventing us from using the consignment.

10.2 Should the utilization of the consignment nevertheless violate third-party industrial property rights, we shall also be entitled to acquire a licence from the legal holder of the industrial property rights at your expense.

10.3 Claims arising from deficiencies in title shall fall under the statute of limitations 10 years after delivery.

11. Technical documentation

11.1 All drawings placed at your disposal to enable you to carry out orders and any other technical documentation shall remain our property and are to be returned to us immediately upon completion of the order without us having to specifically request you to do so.

11.2 Any documents may only be used within the scope permitted by us and may not be copied or made available to third parties without our prior written consent.

12. Secrecy / Advertising

12.1 Our orders and all commercial and technical details associated with them are to be treated as industrial secrets.

12.2 You may only refer to your business contacts with us in your advertising, given our written approval.

13. Place of jurisdiction and applicable law

13.1 All disputes arising in connection with this agreement shall be settled before a competent Hamburg court of law. We are, however, also entitled to assert our claims before a court at your place of general jurisdiction.

13.2 The mutual legal relationship shall be governed by the law of the Federal Republic of Germany to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Hauni Maschinenbau AG